



Clean + Safe + Friendly

October 19, 2017

Board of Directors  
Venice Beach Business Improvement District  
8 Horizon Avenue  
Venice, CA 90291

**Subject: Combined Program – Clean and Safe Services**

To Whom It May Concern:

Streetplus is pleased to provide the Venice Beach Business Improvement District with a combined approach to services. In accordance with the Request for Proposal, Streetplus submitted separate proposals for Clean Services and Safe Services. The purpose of this letter is to outline the benefits of selecting Streetplus to provide both services.

Streetplus currently provides clean, safe and friendly services to over sixty-five (65) districts across the United States, employing nearly 500 ambassadors in seven (7) states. Our regional office in downtown Los Angeles will provide support services for the Venice Beach Business Improvement District.

Our newest innovation is the “Ambassador Academy Center” that is dedicated to providing recruitment, selection, training and outfitting ambassadors for all of our improvement district accounts in the Metro Los Angeles area. This approach provides our local operations managers with more time to oversee and manage operations instead of interview, hiring and training employees.

There are many benefits to a combined approach, but here are a few:

1. **Consolidated Supervision and Management.** If you select two contractors, each one would have to provide supervision and management. If Streetplus is selected, the supervision and management would be responsible for both clean and safe services. This is our model throughout the United States.

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2. **Communication.** Deciding to select Streetplus for both services would greatly enhance the communication process for the Venice Beach Business Improvement District. All communication for both clean and safe teams would be coordinated through the Streetplus Operations Manager assigned to the Venice Beach Business Improvement District. Also, the same process of streamlined communication would apply to the Shift Supervisors.

The Two-Way radio system would allow each team to communicate with each other instead of having a system for safe services and another for clean services.

3. **Training.** A combined approach with Streetplus will provide the same training for both teams, along with specialized training that relates to labor classification requirements. This ensures the training is standardized and consistent.
4. **Single Point-of-Contact.** Selecting Streetplus would also provide a single point-of-contact for the Venice Beach Business Improvement District. Ken Nakano, Vice President of Operations would be your local contact for both programs and Steve Hillard, President and Principal, would be your corporate office contact. This approach makes communication and contact simple and direct.
5. **Cost Savings.** The single most significant benefit is cost savings. The combined approach with Streetplus reduces the cost for supervision and management because these services are shared between both programs. There are other operating efficiencies that are realized with the combined approach, to include uniforms, corporate profit, general and administrative overhead and capital equipment.

Streetplus suggests this approach for the above-mentioned benefits, but additional information will be provided should Streetplus be selected as a finalist or awarded the contract. The tables below give you a picture of the approach and costs to a combined approach.

**PAY RATE SCHEDULE**

Labor Category	2018	2019	2020
Cleaning Ambassador	\$ 13.25	\$ 14.25	\$ 15.00
Machine Operator	\$ 13.50	\$ 14.50	\$ 15.25
Safety Ambassador	\$ 13.75	\$ 14.75	\$ 15.50
Social Outreach	\$ 14.75	\$ 15.00	\$ 15.50
Shift Supervisor	\$ 16.50	\$ 17.00	\$ 17.50
Operations Manager	\$ 27.88	\$ 28.85	\$ 29.81

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### PROPOSED HOURS

Labor Category	Week	Annual
Cleaning Ambassador	336.00	17,472.00
Machine Operator	112.00	5,824.00
Safety Ambassador	352.00	18,304.00
Social Service Outreach	56.00	2,912.00
Shift Supervisor	168.00	8,736.00
Operations Manager	40.00	2,080.00
<b>TOTAL</b>	<b>1,064.00</b>	<b>55,328.00</b>
FTE	27	

### ANNUAL COST - BY EXPENSE CATEGORY

Category	Annual Cost	% of Total
Payroll and Taxes	\$ 962,531.60	74.72%
Operating Expenses	\$ 129,592.50	10.06%
General and Administrative Overhead	\$ 14,458.00	1.12%
Employee Benefits	\$ 98,526.40	7.65%
Profit	\$ 82,992.00	6.44%
<b>TOTAL</b>	<b>\$ 1,288,100.50</b>	<b>100.00%</b>

### ANNUAL COST - BY LABOR CATEGORY

Category	Annual Cost	% of Total
Cleaning Ambassadors	\$ 380,268.78	29.52%
Machine Operator	\$ 128,501.27	9.98%
Safety Ambassador	\$ 409,345.48	31.78%
Social Outreach	\$ 66,680.34	5.18%
Shift Supervisor	\$ 224,162.20	17.40%
Operations Manager	\$ 79,142.43	6.14%
<b>TOTAL</b>	<b>\$ 1,288,100.50</b>	<b>100.00%</b>

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## PROPOSED CAPITAL EQUIPMENT

Item	Qty	Unit Cost	Extended Cost
Taylor Dunn Electric Utility Vehicle	1	\$ 16,000.00	\$ 16,000.00
Pressure Washing Unit	1	\$ 10,500.00	\$ 10,500.00
Tennant Sentinel Street Sweeper	1	\$ 90,000.00	\$ 90,000.00
Landscaping Equipment	1	\$ 5,000.00	\$ 5,000.00
Segway SE-3 Patroller	2	\$ 13,000.00	\$ 26,000.00
Fuji Police Mountain Bikes	6	\$ 850.00	\$ 5,100.00
Guard Tour System	1	\$ 6,000.00	\$ 6,000.00
Two-Way Radios	16	\$ 575.00	\$ 9,200.00
Repeater	1	\$ 4,000.00	\$ 4,000.00
Computer and Printer	2	\$ 1,800.00	\$ 3,600.00
<b>SUB-TOTAL</b>			<b>\$ 175,400.00</b>
<b>COST PER YEAR (3-YR AMORIZATION)</b>			<b>\$ 65,956.78</b>
<b>MONTHLY COST</b>			<b>\$ 5,496.40</b>

Streetplus is confident the proposed program will exceed your expectations and deliver services that will enhance the environment for those that live, visit, and work in Venice Beach. We understand that costs are a concern and Streetplus is open to discussing our financial model, to include assumptions, and make any adjustments that are appropriate. Our goal, with your involvement and leadership, is to make the Venice Beach Business Improvement District the model that other improvement districts want to follow.

The table below illustrates the cost of baseline services and the proposed capital equipment. Remember, the capital equipment are recommendations and Streetplus encourages a conversation between both parties to ensure the equipment is appropriate.

## 1ST YEAR OF SERVICES

Line Item	Annual Cost
Baseline Services	\$ 1,288,100.50
Proposed Capital Equipment	\$ 65,956.78
<b>TOTAL</b>	<b>\$ 1,354,057.29</b>

Streetplus has been a leader nationally when related to hiring those with blemishes in their past, to include criminal records. Although there are agencies and companies out there that provide "2<sup>nd</sup> chance workers" to business improvement districts in Los Angeles and their social agenda is attractive for political reasons, Streetplus provides employment opportunities because it's the right thing to do. Streetplus develops relationships with organizations that have a mission to assist those in need, such as the Greater Los Angeles YWCA. Streetplus has an agreement with them to hire young adults after they graduate from their internal programs. This has been an excellent relationship, yielding great results for these young adults trying to get their life in order and it starts with gainful employment.

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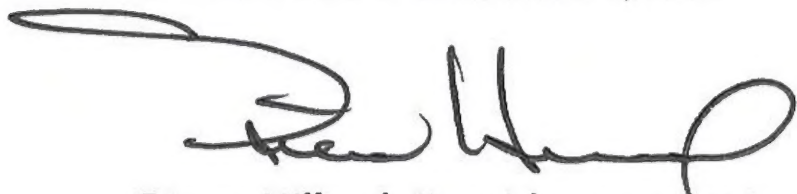


After sharing our story with city officials associated with Councilman Mike Bonin, Streetplus will enter into a relationship with Safe Place for Youth, located at 2469 Lincoln Blvd, Venice, CA 90291. We're proud to be able to offer employment to those in need. These young adults will earn the same wage as our regular employees and will receive full benefits. To learn more about this wonderful organization, visit [www.safeplaceforyouth.org](http://www.safeplaceforyouth.org).

In closing, Streetplus is the perfect partner for this project because we understand the challenges you will face because we've been working with you for over three years. Obviously, we believe the best approach is the combined program with Streetplus, but we understand there may be reasons why you don't agree. Therefore, Streetplus is open to being awarded either of the programs. I look forward to hearing from you and please contact me if you have questions or require more information or clarification.

Sincerely,

STREETPLUS COMPANY, LLC

A handwritten signature in black ink, appearing to read "Steve Hillard", written over a horizontal line.

Steve Hillard, President and Principal

GSH/sh

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